

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AGR-10 COME-00 IO-13 H-02 /045 W

----- 067364

R 181714Z MAY 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 1815

UNCLAS SECTION 01 OF 03 LONDON 07686

E.O. 11652: N/A

TAGS: EAGR, UK

SUBJECT: SENATE QUESTIONNAIRE ON INTERNATIONAL ORGAN-
IZATIONS -- INTERNATIONAL WHEAT COUNCIL (IWC)

REF: (A) STATE 112002

(B) STATE 119282

1. REPLIES BELOW KEYED TO APPROPRIATE QUESTIONS POSED
IN TWO QUESTIONNAIRES CONTAINED IN REF (A).

2. QUESTIONS FOR COORDINATING U.S. AGENCY
DESCRIPTION AND PURPOSES.

1(A) OBJECTIVES ARE (I) TO FURTHER INTERNATIONAL
COOPERATION IN CONNECTION WITH WORLD WHEAT PROBLEMS
(II) TO PROMOTE EXPANSION OF WHEAT AND WHEAT FLOUR
TRADE,(III) TO CONTRIBUTE TO EXTENT POSSIBLE TO
STABILITY OF THE INTERNATIONAL WHEAT MARKET.
IWC SECRETARIAT ALSO ADMINISTERS THE FOOD AID
CONVENTION.

(B) UNLIKE PREVIOUS AGREEMENT, INTERNATIONAL WHEAT
AGREEMENT (IWA) 1971, OR MORE PRECISELY, THE IWA'S
SUBSIDIARY AGREEMENT, THE WHEAT TRADE CONVENTION,
CONTAINS NO SUBSTANTIVE ECONOMIC PROVISIONS RELATING
TO PRICES. THEREFORE, FOCUS HAS SHIFTED MAINLY TO
INFORMATIONAL ACTIVITIES, WITH ADVISORY SUB-COM-
MITTEE ON MARKET CONDITIONS (ASCM) PLAYING PARTIC-
ULARLY VALUABLE ROLE. A TECHNICAL PREPARATORY GROUP
IS CURRENTLY EXPLOR/NG BASIS FOR A NEW AGREEMENT.

2(A) APPROXIMATELY 26 MEETINGS: 2 OF COUNCIL FOR

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POLICY DECISIONS (INCLUDING BUDGET); 6 OF EXECU-

TIVE COMMITTEE, MOSTLY ADMINISTRATIVE; 12 OF
ASCM (SEE ABOVE); AND 6 OF PREP GROUP.

(B) SCHEDULE IS APPROPRIATE TO PRESENT NEEDS.

3(A) DECISIONS ARE BY DISTRIBUTED SIMPLE MAJORITY
EXCEPT WHEN A DISTRIBUTED TWO-THIRDS VOTE IS
SPECIFIED IN IWA. IN PRACTICE DECISIONS ARE BY
CONSENSUS.

3(B) U.S. HAS 284 OUT OF 1,000 EXPORTER VOTES, OR
ABOUT 14 PERCENT OF 2,000 COMBINED EXPORTER/IMPORTER
VOTES.

4) MOST ACTIVITIES MERELY "NOTED", BUT DECISION TO
SET UP PREP GROUP AND ACTIONS EXTENDING IWA BY
PROTOCOL MAY BE CONSIDERED AS RECOMMENDATIONS TO
GOVERNMENTS.

BUDGET

5) (A) & (B)

BUDGET BY OBJECT CLASS, 1970/72 AND 1975/76

(IN THOUSAND POUNDS STERLING)

| OBJECT CLASS | 70/72 | PERCENT | 75/76 | PERCENT |
|-----------------|-------|---------|-------|---------|
| ADMIN/PERSONNEL | 73.9 | 83 | 245.5 | 85 |
| TRAVEL | 3.0 | 3 | 6.8 | 2 |
| OTHER\$ | 12.0 | 14 | 38.2 | 13 |
| TOTAL: | 88.9 | 100 | 290.5 | 100 |

\$EXCLUDES POUNDS 10,000 NOTIONAL FIGURE FOR NEGO-
TIATING CONFERENCE, EXPENDED IN 1970/71 AND
POUNDS 25,000 BUDGETED AS NOTIONAL ENTRY, BUT NOT
UTILIZED, IN 1975/76.

(C) ASSESSMENT BASED UPON NUMBER OF VOTES HELD IN
PROPORTION TO TOTAL.

6) NOT APPLICABLE

7) FUNDING BY CONTRIBUTIONS FROM MEMBERS, BOTH
PERIODS.

8) (A) DRAFT OF ANNUAL BUDGET PREPARED BY SECRE-
TARIAT, CONSIDERED BY BUDGET SUB-COMMITTEE (USUALLY
IN APRIL OR EARLY MAY) AND SUBSEQUENTLY BY THE
EXECUTIVE COMMITTEE, WITH FINAL APPROVAL (LATE JUNE)
BY THE COUNCIL.

(B) YES

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PERSONNEL

(9) (A) SIX (EXCLUDING LANGUAGE PROFESSIONALS)

(B) NONE

(C) ALL

(D) FOR 1970/71, SEVEN, NONE, AND ALL, RESPEC-
TIVELY.

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10) PROFESSIONAL STAFF PAID IN ACCORDANCE WITH
UN SCALE; RECEIVE DEPENDENCY ALLOWANCE FOR SPOUSE
AND CHILDREN, POST ADJUSTMENTS, BUT NO HOUSING
OR EDUCATION ALLOWANCES. GENERAL SERVICE EMPLOYEES
PAID COMPARABLE UK SALARIES.

11) (A) NONE TODAY; ONE (14 PERCENT) IN 1970

(B) //ONE

(C) THREE OF SIX TODAY ARE FROM UK, WITH TWO

OF SEVEN FROM UK IN 1970; NO OTHER

NATIONALITY REPRESENTED BY MORE THAN ONE.

(D) NO

12) NOT APPLICABLE

13) NO

EVALUATION

14) YES

15) NONE

16) BUDGETARY SYSTEM AND FREQUENT EXECUTIVE COM-
MITTEE MEETINGS PROVIDE OPPORTUNITY FOR CONTINUOUS
REVIEW.

17) (A) BUDGET AND ANY OTHER IMPORTANT ADMINISTRA-
TIVE MATTER PASSED ON BY COUNCIL AND THEREFORE
AVAILABLE TO FULL MEMBERSHIP (AS ARE MINUTES OF
EXECUTIVE COMMITTEE). U.S. IS MEMBER OF EXECUTIVE
COMMITTEE, ASMC, BUDGET SUB-COMMITTEE, AND PREP
GROUP.

(B), (C), AND (D), NOT APPLICABLE.

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18) NOT APPLICABLE

19) STATE

U.S. DELEGATION

20) (A) VARIES WITH BODY, ABOUT AS FOLLOWS:

COUNCIL -- 8 TO 10

EXECUTIVE COMMITTEE -- 1 TO 2

ASMC -- 1 TO 2

PREP GROUP -- 2 TO 12

(B) IN 1970, ABOUT SAME

(C) STATE, USDA, TREASURY, STR; CONGRESSIONAL
STAFF, AND OMB WERE REPRESENTED AT ONE PREP
GROUP MEETING.

(D) USDA NORMALLY HEADS, BUT OCCASIONALLY, STATE.

(E) TWO WOMEN FOR ONE PREP GROUP; OTHERS,
NONE; THERE IS NO PERMANENT DELEGATION
(EMBASSY SUPPORTS VIA AGRICULTURAL BRANCH
AND RESOURCES AND COMMODITIES UNIT).

21) (A) THREE OR FOUR ATTEND COUNCIL SESSIONS.

(B) SENIOR EXECUTIVES OF WHEAT TRADING COMPANIES,
PRODUCER ASSOCIATIONS, AND MARKET PROMOTION ASSOCIA-
TIONS.

22) FOR DEPARTMENT

23) NONE

24) (A) MEETINGS NOT OPEN TO PUBLIC; ALL DOCUMENTS
AVAILABLE TO GOVERNMENTS, SOME TO PUBLIC.

(B) COUNCIL, EXECUTIVE COMMITTEE, AND ASMC MAY DE-
CIDE ON RELEASE OF DOCUMENTS OF PUBLIC INTEREST;
OFFICIAL RECORDS ARE NORMALLY "RESTRICTED" SUBJECT
TO A DECLASSIFICATION SCHEDULE.

U.S. INITIATIVES

25) FOR DEPARTMENT

26) U.S. AS MEMBER OF EXECUTIVE COMMITTEE AND BUDGET
SUB-COMMITTEE PARTICIPATES ACTIVELY IN ALL DECIS-
IONS, E.G., RESERVE FUND SYSTEM NOW UNDER STUDY AS
RESULT OF A U.S. SUGGESTION. A MAJOR SUBSTANTIVE
PROPOSAL BY U.S. WAS THAT THE POSSIBILITY OF ES-
TABLISHING A GRAINS RESERVES SYSTEM FOR WORLD

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FOOD SECURITY BE EXAMINED BY THE IWC. THIS WAS
DONE IN THE PREP GROUP IN 1975, AND SOME ASPECTS ARE
STILL UNDER STUDY IN THE TECHNICAL PREP GROUP.

27) SEE ABOVE

28) NONE

29) (A) IN BUDGET SUB-COMMITTEE

(B) ALL ASPECTS OF DRAFT BUDGET FULLY EXAMINED,
LINE BY LINE, WITH REQUESTS FOR ADDITIONAL INFOR-
MATION AS REQUIRED.

30) US HAS NEVER WITHHELD CONTRIBUTION.

3. QUESTIONS FOR ALL PARTICIPATING U.S. AGENCIES
PURPOSE AND EFFECTIVENESS OF ORGANIZATION

12) FOR DEPARTMENT

13) (A) PRIORITIES (I) PREPARATION FOR POSSIBLE NEW

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AGREEMENT, INCLUDING POSSIBILITY OF GRAINS
RESERVES

(II) MARKET REVIEWS

(III) OTHER INFORMATION INTERCHANGE

(B) YES. PRIORITY (I) TIMING DEPENDENT UPON CON-
SENSUS OF MEMBERSHIP, IMPORTANTLY INCLUDING U.S.
AND E.E.C.

14) (A) AND (B) NONE, WITH EXCEPTION OF MORE ADE-
QUATE RESERVE FUND, WHICH IS UNDER STUDY AND HAS
BEEN IN PART IMPLEMENTED.

15) U.S. PARTICIPATES IN MTNS AND FAO, WITH INTER-

LINKING INTERESTS, BUT NO OVERLAPPING OR DUPLICATION EXISTS.

16) U.S. EXERCISES GREAT INFLUENCE, ALONG WITH CANADA AND THE EEC. ARGENTINA, AUSTRALIA, AND JAPAN AND THE USSR EXERCISE SOMEWHAT LESS INFLUENCE. EGYPT AND INDIA HAVE BEEN PARTICULARLY VOCAL AMONG LDC MEMBERS.

17) NONE AT THIS TIME.

18) (A) ADVANTAGES ARE IN MARKET REVIEWS, INTERCHANGE OF INFORMATIONS, MAINTENANCE OF PRODUCER/CONSUMER FORUM, RELATIONS WITH LDCS, AND FOR LONGER RUN, GROWING INTEREST IN RE-NEGOTIATED IWA WITH SOME TYPE OF ECONOMIC PROVISIONS -- POSSIBLY INCLUDING FOOD SECURITY PROVISIONS -- MAKES CONTINUED US PARTICIPATION PARTICULARLY DESIRABLE.

(B) NONE;

19) YES; AS REQUIRED IN AGREEMENT.

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